GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:853
ANSWERED ON:22.11.2002
STEPS TO SAFEGUARD SERVICE SECTOR
ASHOK NAMDEORAO MOHOL;RAMSHETH THAKUR

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the service sector is the biggest growing area in international trade;

(b) if so, whether the Union Government had constituted working group on the negotiation strategy in service sector for GATT;

(c) if so, the details thereof;

(d) whether the said group has submitted its report;

(e) if so, the main recommendations of the Group; and

(f) if so, the steps taken by the Government to safeguard service sector?

Answer

MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) : As per the World Trade Organization`s Annual Report, 2002, the international trade in services registered an average annual growth of 6% during 1990-2000 before declining by 1% in 2001 under the impact of overall slowdown in the world economy.

(b) to (f) : The Department of Commerce has recently set up an Expert Group consisting of persons having experience in the trade in services. The Expert Group will advise the government on various issues relating to Services negotiations, particularly on cross-cutting issues. As the Expert Group is an advisory body, no formal report is expected to be submitted by it. The Department of Commerce has also suggested to the Administrative Ministries/Departments concerned with various service sectors to constitute a Focus Group within each Ministry/Department to evaluate the requests and offers that may come up during the negotiations and to help formulate the stand to be taken on the concerned service sector. It is understood that Ministries/Departments concerned are taking action in this regard.